LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6339 NOTE PREPARED: Nov 21, 2005

BILL NUMBER: SB 135 BILL AMENDED:

SUBJECT: Adult Video Games.

FIRST AUTHOR: Sen. Kruse BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation</u>: The bill requires a video game retailer to place a warning label on violent or sexually explicit video games. It prohibits the sale or rental of violent or sexually explicit video games by means of a scanning device that has not been programmed to prompt the sales clerk to ask the purchaser to show identification. It also prohibits the sale or rental of a violent or sexually explicit video game to a child less than 18 years of age.

The bill provides affirmative defenses if: (1) certain relatives of the child were involved in the sale or rental; (2) the child used false identification to buy or rent the video game; or (3) the video game was rated appropriate for children less than 18 years of age by the Entertainment Software Rating System. It provides an affirmative defense for a video game retailer if a sales clerk, knowing that the purchaser was a child less than 18 years of age, intentionally sold a violent or sexually explicit video game to a child less than 18 years of age.

Effective Date: July 1, 2006.

Explanation of State Expenditures:

Explanation of State Revenues: The bill would create a Class C infraction for a video game retailer failing to affix an age label to a violent or sexually explicit video game, and a Class B infraction for selling, renting, or permitting another person to sell or rent a violent or sexually explicit video game to a child less than 18 years of age. Additionally, a video game retailer may be subject to a Class B infraction for failing to have an electronic scanner or self-scanning checkout device programmed to prompt a sales clerk to ask the purchaser for identification. The bill also creates a Class B infraction for a sales clerk who knowingly or intentionally

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sells or rents a violent or sexually explicit video game to a child under 18 years of age.

There are no data available to indicate how many video game retailers or sales clerks may be convicted of the various Class B and Class C infractions included in this bill. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class B infraction is \$1,000 and for a Class C infraction is \$500. Judgements are deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

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